

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: May 7, 2009
POSITION: Neutral, note concerns

BILL NUMBER: SB 228
AUTHOR: M. DeSaulnier

BILL SUMMARY: Compostable or Marine Degradable Plastic Bags

This bill would establish specific criteria for the production of compostable plastic bags that would ensure that they were readily and easily identifiable as compostable. Additionally, manufacturers and suppliers would be required to submit a report to the Integrated Waste Management Board (Waste Board) regarding certification requirements.

FISCAL SUMMARY

The Department of Finance estimates that the bill's fiscal costs would be minor and absorbable. The economic costs related to the product changes that the manufacturers of plastic bags would be required to make are unknown.

COMMENTS

Finance is neutral on this bill as it would result in a negligible fiscal impact to the state. However, we note concern that the bill requires manufacturers and suppliers of compostable bags, at the risk of prosecution for fraud, to submit a report to the Waste Board "containing the certification required by this section for the preceding calendar year." It is not clear what this report would address as the bill only refers to Waste Board's certification of a bag logo. Finance recommends clarification of these reporting requirements.

The bill would require manufacturers of plastic bags that meet the ASTM D6400 standard for compostable bags to ensure that the bag is easily distinguishable from other non-compostable bags. By July 1, 2010, compostable bags would have to meet specific color and labeling standards and display a Waste Board approved certification logo. These requirements are meant to make it easier to visibly separate compostable plastic bags from regular plastic bags in the recycling and composting streams.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	Code
3910/Waste Mgmt	SO	No	----- No/Minor Fiscal Impact -----						0387
<u>Fund Code</u>	<u>Title</u>								
0387	Integrated Waste Management Account								

Analyst/Principal (0691) K. DaRosa	Date	Program Budget Manager Karen Finn	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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